

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE NOTICE OF PURCHASED GAS)	
ADJUSTMENT FILING OF AUXIER ROAD)	CASE NO. 9318-D
GAS COMPANY, INC.)	

O R D E R

On April 7, 1988, the Commission issued an Order directing Auxier Road Gas Company, Inc. ("Auxier"), to file a detailed plan to refund the savings from the purchase of locally-produced gas to its regular customers in accordance with its purchased gas adjustment clause. Auxier petitioned the Commission for rehearing on April 28, 1988 which was denied May 18, 1988. On June 7, 1988, Auxier requested the Commission to delay implementation of the April 7, 1988 Order pending the outcome of a soon to be filed rate case. This request was denied on June 24, 1988.

On September 21, 1988, Auxier filed the refund plan. On October 26, 1988, the Commission issued an Order directing Auxier as to the method for refunding the savings to its customers. On November 15, 1988, Auxier filed a Motion for rehearing to the Order of October 26, 1988 requesting the Order be held in abeyance pending resolution of the rate case.

The basis for the Motion is that there is a duplication of issues between this case and a pending rate case - Case No. 10288, The Adjustment of Rates of Auxier Road Gas Company, Inc., for an Increase in Gas Rates. The Commission finds that there is no

duplication. This case involves the flow-through of a purchased gas expense. The refund associated with that expense relates solely to Auxier's failure to comply with the provisions of its purchased gas adjustment clause.

The pending rate case involves an adjustment of rates. It does not involve the propriety of the refund plan. The two cases are entirely distinct. For these reasons, the Motion should be denied.

ITS IS ORDERED that the Motion for rehearing is denied.

Done at Frankfort, Kentucky, this 5th day of December, 1988.

PUBLIC SERVICE COMMISSION

Chairman



Vice Chairman



Commissioner

ATTEST:

Executive Director